

m/023/203

Brush Wellman Inc. P.O. Box 815 Delta, Utah 84624 Phone 435/864-2701

Date: Aug.31, 2000

Tom Munson Senior Reclamation Specialist State of Utah Department of Natural Resources Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, Utah 84114-5801

Re: Postponement of Pit Openings and the Supplemental Surety Bond and Reclamation Contract; Topaz Mining Properties, M/023/003, Juab County, Utah

Dear Mr. Munson

Pursuant to our telephone conversation, this letter serves as an update to the mine plan schedule for the Rainbow #2 and Section 16 South #1 pit openings. Brush Wellman's letter (dated January 26, 1999) accepting the additional bonding requirements, contemplated that the associated reclamation contract would be submitted in September, 1999, with the pit opening to commence in the spring of 2000.

Subsequent to the acceptance letter, demand for ore feed has been rescheduled. This has resulted in a postponement of the pit openings. The schedule at this time is to begin next year stockpiling the topsoil and topsoil substitute material from the pit areas in advance of stripping the overburden, which has now been delayed until fall of 2003. The surety bond will be posted in advance of this work. In addition, the reclamation contract will be completed and provided to the Division in time to allow for review.

Please let me know if you need further information. I can be reached at (435) 864-1211 during regular business hours.

Sincerely.

Greg Hawkins Mine Manager

Cc:

John Wagner, Mine Planning Susan Callister, Accounting Alex Boulton, Admin. Don McMillan, Director

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